NOTIFICATION.

No. L.D. 1985—Legis. 6-51-51, dated Bangalore, 24th January 1952.

Ordered that Notification No. S.R.O. 2020, dated the 22nd December 1951 of the Ministry of Finance (Department of Economic Affairs) amending the Third Schedule to the Banking Companies Act, 1949 published in the *Gazette of India*, Part II Section 3, dated the 22nd December 1951, be republished in the *Mysore Gazette*, for general information.

By Order of His Highness the Maharaja,

N. R. JAYA RAO,
Legal Remembrancer and
Secretary to Government,
Law Department.

GOVERNMENT OF INDIA.

MINISTRY OF FINANCE.

(DEPARTMENT OF ECONOMIC AFFAIRS).

New Delhi, the 22nd December 1951.

S.R.O. 2020.—In exercise of the powers conferred by sub-section (4) of section 29 of the Banking Companies Act, 1949 (X of 1949), the Central Government hereby makes with effect from the 22nd December, 1951, the following amendments to Form A (Form of Balance-sheet including the Notes appended thereto) and Form B (Form of Profit and Loss Account) as set out in the Third Schedule to the said Act, a notification giving not less than three months' notice of the intention of the Central Government to make the said amendments having been already published in the Official Gazette as required by the aforesaid sub-section, namely :—

Amendments.

I Form A—Form of Balance Sheet.

(a) *Capital and Liabilities side—*

(i) For the heading 'RESERVE FUND (b)' the heading 'RESERVE FUND AND OTHER RESERVES' shall be substituted.

(ii) For the item 'Current Accounts and Contingency (unadjusted) accounts' under the heading 'DEPOSITS AND OTHER ACCOUNTS' the item 'Current Accounts, Contingency Accounts, etc.' shall be substituted.

(iii) For the heading 'BORROWINGS FROM OTHER BANKS, AGENTS, ETC.' the heading 'BORROWINGS FROM OTHER BANKING COMPANIES, AGENTS, ETC.' shall be substituted.

(iv) For the heading 'OTHER LIABILITIES (to be specified) (c)' the heading 'OTHER LIABILITIES (c)' shall be substituted.

(v) For the existing heading 'PROFIT AND LOSS: Less appropriation thereof' the following heading shall be substituted :—

'PROFIT AND LOSS

Profit as per last balance sheet—

Less appropriations—

Add profit for the year brought from the Profit and Loss Account--

(b) *Property and Assets side* -

(i) For the item 'In hand and with Reserve Bank (including foreign currency notes)' occurring under the heading 'CASH' the item 'In hand and with Reserve Bank and Imperial Bank (including foreign currency notes)' shall be substituted.

(ii) The item 'Balances with other Banks (showing whether on deposit or current account)' occurring under the heading 'Cash' shall be shown as separate main item and numbered accordingly.

(iii) The existing item 'BILLS DISCOUNTED AND PURCHASED (e) (Other than Treasury Bills of the Central and State Government) :

(i) payable in India

(ii) payable outside India'

shall be omitted.

(iv) In item (i) under the head 'INVESTMENTS' after the words 'and State Governments and' the word 'other' shall be inserted.

(v) For the existing item 'LOANS, ADVANCES, CASH CREDITS AND OVERDRAFTS (other than bad and doubtful debts for which provision has been made to the satisfaction of the auditors)

(i) in India

(ii) outside India'

the following shall be substituted, namely :—

"ADVANCES—

(other than bad and doubtful debts for which provision has been made to the satisfaction of the auditors)

(I) Loans, Cash Credits, Overdrafts, etc.

(i) in India———

(ii) outside India——— ———

(II) Bills discounted and purchased (excluding Treasury Bills of the Centra and State Governments).

(i) payable in India———

(ii) payable outside India——— ——— ———"

(vi) For the word 'Particulars' after the existing item "LOANS, ADVANCES' CASH CREDITS AND OVERDRAFTS" the following shall be substituted, namely,

"Particulars of ADVANCES",

(vii) In the particulars under the existing heading 'LOANS, ADVANCES, CASH CREDITS AND OVERDRAFTS' wherever the expressions 'bank' or 'banks' occur there shall be substituted therefor the expressions 'banking company' or 'banking companies', as the case may be.

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(viii) In the particulars under the existing heading 'LOANS, ADVANCES, CASH CREDITS AND OVERDRAFTS' after item (iv) two parallel lines shall be drawn in the inner column so that the total of the first four items of the particulars agrees with the amount shown against the main head.

(ix) For item (vii) of the particulars under the existing heading 'LOANS, ADVANCES, CASH CREDITS AND OVERDRAFTS' the following item shall be substituted namely,

"(vii) Maximum total amount of advances including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either severally or jointly with any other persons (ff)."

(x) In item (viii) of the particulars under the existing heading 'LOANS, ADVANCES, CASH CREDITS AND OVERDRAFTS'—

(i) for the word 'loans' the word 'advances' shall be substituted.

(ii) after the words 'as members' the brackets and letters '(ff)' shall be added.

(xi) For the heading 'BILLS FOR COLLECTION BEING BILLS RECEIVABLE AS PER CONTRA', the heading 'BILLS RECEIVABLE BEING BILLS FOR COLLECTION AS PER CONTRA' shall be substituted.

(xii) For the heading 'ACCEPTANCES, ENDORSEMENTS AND OTHER OBLIGATIONS per contra' the heading "CONSTITUENTS' LIABILITIES FOR ACCEPTANCES, ENDORSEMENTS AND OTHER OBLIGATIONS per contra" shall be substituted.

II. Form B—Form of Profit and Loss Account—

(a) *Income side*—

(i) For the heading 'Income (Less provision made during the year for bad and doubtful debts)' the heading 'Income* (Less provision made during the year for bad and doubtful debts and other usual or necessary provisions)' shall be substituted.

(ii) The heading 'Transfer from contingencies account' shall be omitted.

(iii) For the heading 'Profit made on sale of investments, gold and silver, land, premises and other assets' the heading 'Net profit on sale of investments, gold and silver, land, premises and other assets (not credited to Reserves or any particular Fund or Account)' shall be substituted.

(iv) For the heading 'Profits made on revaluation of investments, gold and silver, land, premises and other assets' the heading 'Net profit on revaluation of investments, gold and silver, land, premises and other assets (not credited to Reserves or any particular Fund or Account)' shall be substitued.

(b) *Expenditure side.*—

(i) For the heading 'Interest paid on deposits' the following shall be substituted, namely :—

'Interest paid on deposits, borrowings, etc.'

(ii) The headings 'Salaries and Allowances (showing separately salaries and allowances to managing director or manager)' and 'Provident Fund' shall be combined together as under :

"Salaries and Allowances and Provident Fund (showing separately salaries and allowances to managing director, manager or chief executive officer)"

(iii) The headings "Directors' Fees and allowances," and "Local Committee members' fees and allowances" shall be combined together as under:

"Directors' and Local Committee Members' fees and allowances".

(iv) The headings "Depreciation on Bank's Property" and "Repairs to Bank's Property" shall be combined together as under:

"Depreciation on and repairs to the banking company's property".

(c) The following foot-note to the Form shall be added, namely:—

"*Net Loss on sale or revaluation of investments, gold and silver, land, premises and other assets, if any, may be deducted from income."

III. Notes appended to Form A—

(i) Note (b) shall be omitted.

(ii) For the existing note (c) the following shall be substituted, namely:—

"(c) Under this heading may be included such items as the following: pension or insurance funds, unclaimed dividends, advance payments and unexpired discounts, liabilities to subsidiary companies and any other liabilities."

(iii) For the word "bank" occurring in item (ii) of note (d), the words "banking company" shall be substituted.

(iv) Note (e) shall be omitted.

(v) After the existing note (f), the following new note shall be inserted, namely:—

"(ff) maximum total outstanding balance in all such accounts as a unit on any day during the year should be given under this heading."

(vi) For the words "Bank premises wholly or partly occupied" occurring in note (g), the words "Premises wholly or partly occupied by the banking company" shall be substituted.

(vii) For the existing note (i), the following shall be substituted, namely:—

"(i) Value shown shall not exceed the market value and in cases where the market value is not ascertainable, the estimated realisable value."

(viii) The foot note shall be omitted.

IV. All the headings in Form A and in Form B as amended above shall be numbered.

[No. 4(147)-FI/51]

S. K. SEN, *Dy. Secy.*